

**Orange County Public Schools
Audit Advisory Committee
Minutes of Meeting January 26, 2021**

Chair Roth called the meeting to order at 8:00 a.m. with all committee members participating. Committee members Debi Roth, Scott Funston, and Tammy Campbell were in attendance. Committee members Dan Williams and Kay Redlich attended by WebEx. Also present was Linda Lindsey, School Board Internal Auditor. School Board Chair Teresa Jacobs attended via WebEx as did representatives of the firm of Cherry Bekaert. General Counsel Amy Envall joined the meeting at 8:05 a.m.

Post-audit Presentation from Cherry Bekaert

Ms. Lindsey introduced Ron Conrad and Brandi Grovac of Cherry Bekaert. Ron is the engagement partner and Brandi is the manager for the district's audit. Using materials distributed in advance of the meeting (copy on file), Mr. Conrad and Ms. Grovac reviewed the audit scope, audit standards and requirements. They provided an overview of financial audit results and reviewed the Auditors' required communications. They also presented financial highlights and reviewed future accounting and reporting changes.

Mr. Funston questioned the category "all other revenues" on slide 15. He noted that it was the largest category on the slide and asked for a breakout of the more significant types of revenue included. Ms. Grovac mentioned that it included miscellaneous revenue, other grants & contributions, investment earnings and the state FEFP funding, noting that the FEFP funding made up the majority of the category. The Committee suggested that FEFP have its own line on this chart in the future even though it is a stable source and doesn't not change much from year to year. Mr. Conrad indicated that this would be done in future presentations.

The committee thanked Ms. Grovac and Mr. Conrad for their presentation. They left the meeting at this time. (8:32 a.m.)

Approval of Minutes

Minutes of the meeting of December 1, 2020 were approved.

Annual Review of Audit Advisory Committee Charter

This item is a carryover from the December meeting. Additional revisions were recommended by General Counsel Amy Envall and have been incorporated into a redline version showing all proposed revisions that was sent to committee members in advance. Members of the Committee noted that the proposed revisions were consistent

with their expectations and they voted unanimously to recommend the revised charter to the School Board for approval.

Contract Extension for School Internal Accounts Audits

Ms. Lindsey reported that the current contract with CRI is in its first, 1-year extension and a second, 1-year extension is available upon mutual agreement of the parties. Costs are fixed for each type of school throughout the contract period. Staff recommends that the district exercise the second, 1-year extension of this contract. Upon the conclusion of this period, the contract will be put out for proposals.

The committee members voted unanimously to approve the second one year extension of CRI's contract for school internal accounts audits.

Entity-wide Risk Assessment Process and Timeline for 2021

Ms. Lindsey referred to the timeline sent with the agenda materials. She indicated that the ERM toolkit will be used again this year since senior management is familiar and comfortable with it. The timeline is similar to the one used in 2020 and should be achievable. Getting the risk registers in by the end of March will give the Internal Audit Department sufficient time to complete the audit risk assessment and develop a proposed audit plan before the committee's June meeting.

The committee members asked a few questions and voted to approve the timeline and risk assessment process.

CAE Report

General:

Ms. Lindsey noted the following items of interest –

- The annual committee report to the School Board is tonight and Chair Roth will be making the presentation using slides that were previously reviewed and approved by the Committee. Members are welcome to watch the livestream which starts at 5:00.
- The new auditor, Cassandra Williams is settling in at our Facilities office now that Alva Johnson has retired. Ms. Williams is quite experienced as an auditor, and is busy getting familiar with OCPS and our department. We are glad she is here.
- The School Board has expressed an interest in having us perform an audit of the ESE program. Chair Jacobs has been asked by the School Board to work out objectives and scope with Ms. Lindsey. Those discussions are underway.

- Once the audit is more well-defined, the impact on the annual audit plan will be evaluated the brought back to the Committee for discussion and approval.
- The team is making good progress on the annual audit plan as noted in the status report.

Audit Status Report and Follow-up Status Reports:

Ms. Lindsey asked if there were any questions on the reports. They include the additional information requested at the last meeting. There were no questions.

At 8:50 a.m. Supt. Jenkins joined the meeting to thank the committee members for their service and let them know how much they and their expertise is appreciated.

The meeting was adjourned at 8:52 a.m.

The next regular meeting will be March 30, 2021 at 8:00 a.m.